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GUARANTY TRUST

Company of Canada

annual report

1966

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GUARANTY TRUST COMPANY OF CANADA

Home Office: 366 Bay Street, Toronto

OFFICES AND AGENCIES THROUGHOUT CANADA



COMPAGNIE GUARANTY TRUST DU CANADA

Siège social du Québec: 427 St-Jacques, O., Montréal

*To our STOCKHOLDERS
our CUSTOMERS
the MEMBERS OF OUR STAFF
and the BUSINESS COMMUNITY*

January 26, 1967

We are pleased to present on behalf of our Directors, the forty-first Annual Report of Guaranty Trust Company of Canada for the year ended December 31, 1966. We have included our comments on the results of the past year, the condition of the Company and the outlook for the year ahead.

J. WILSON BERRY,
Chairman of the Board

ALLAN B. RAMSAY,
President & General Manager

THE YEAR AT A GLANCE

	1966	1965
<i>Capital Funds</i> - - - - -	\$26,258,689	\$25,001,339
<i>Gross Income</i> - - - - -	9,786,853	9,114,686
<i>Operating Expenditure</i> - - - - -	4,744,160	4,398,601
<i>Operating Profit</i> - - - - -	5,042,692	4,716,085
<i>Taxes</i> - - - - -	2,092,200	2,023,000
<i>Depreciation on fixed assets</i> - - -	293,142	318,597
<i>Net Profit</i> - - - - -	2,657,350	2,374,488
<i>Per Share</i> - - - - -	.76	3.39*
<i>Dividends paid</i> - - - - -	1,400,000	1,190,000
<i>Per Share</i> - - - - -	.40	1.70*
<i>Shareholders</i> - - - - -	3,288	3,107
<i>Offices and Agencies</i> - - - - -	48	45
<i>Shares Listed</i> - - - - -	The Toronto Stock Exchange Montreal Stock Exchange Vancouver Stock Exchange	
<i>Unbroken Dividend Record</i> - - -	38 Consecutive Years	

*\$10.00 par value common shares split 5 for 1—Sept. 14, 1965

BOARD OF DIRECTORS



*J. WILSON BERRY
Chairman

*ALLAN B. RAMSAY, LL.B.
President and General Manager

R. M. WILLMOTT
Vice-Chairman

EWART ANGUS, Toronto, Ontario

Financier

J. P. MANLEY, Q.C., Toronto, Ontario

Manley, Grant & Armstrong

J. P. BASSEL, Q.C., Toronto, Ontario
Bassel, Sullivan, Holland & Lawson

DAVID B. MANSUR, C.B.E., Toronto, Ontario
President, Kinross Mortgage Corporation

R. R. BELANGER, Montreal, Quebec
President, Belanger Inc.

G. M. MILLER, Q.C., Sudbury, Ontario
*Vice-President,
Chairman, Cambrian Broadcasting Limited*

JOHN G. BENNETT, Vancouver, B.C.
*Vice-President,
President, Bennett Corporation Limited*

D. W. NAYLOR, Toronto, Ontario
*Executive Vice-President, Traders Group
Limited*

EDWARD T. BERRY, Windsor, Ontario
Vice-President

H. J. O'CONNELL, K.C.S.G., Montreal, Quebec
Chairman, H. J. O'Connell Limited

M. J. BOYLEN, D.C.L., D.Sc., Toronto, Ontario
*Chairman and President, Brunswick Mining
and Smelting Corporation Limited*

*E. M. PROCTOR, B.A.Sc., Toronto, Ontario
*Vice-President,
President, Proctor & Redfern*

J. B. CARSWELL, O.B.E., Toronto, Ontario
Consulting Engineer

STEPHEN B. ROMAN, K.C.S.G., Toronto, Ontario
*Chairman and President,
Denison Mines Limited*

W. H. FURLONG, Q.C., Windsor, Ontario
*Vice-President,
Chairman, S.W. & A. Railway Company*

J. B. SANGSTER, Regina, Sask.
President, Mid-West Motors Limited

*W. B. GUNNING, Niagara Falls, Ontario
President, Cataract Canvas Limited

R. W. KEELEY, K.S.G., K.M., Windsor, Ontario
Director, International Tools Limited

F. T. SHERK, Toronto, Ontario
Industrialist

F. H. LESLIE, Chippawa, Ontario
*Vice-President,
President and Publisher,
Niagara Falls Evening Review*

*W. F. SPRY, F.I.L.C., Toronto, Ontario
*Vice-President,
President, Canadian General
Insurance Company*

A. J. MAJOR, LL.D., K.C.S.G., K.M.,
Ottawa, Ontario
Vice-President

R. F. WILSON, Q.C., Toronto, Ontario
Day, Wilson, Campbell & Martin

*Member Executive Committee

REMARKS
OF THE CHAIRMAN
J. WILSON BERRY



Ladies and Gentlemen:

In 1966 the strength and vitality of your Company showed its capacity to meet the difficulties of the tight money climate and the strong competition for the "Savings Dollar". In spite of these and other unfavourable conditions the soundness of our financial position has never been more evident, nor stood us in better stead.

Public acceptance of the strength of your Company has enabled us to experience the best year in our history.

The President and General Manager will deal with the favourable record of your Company during 1966 and I will limit my remarks to some general matters of importance to your Company, save for this one observation. During this rather difficult year, the Reserve Fund and Undivided Profits of your Company have increased by over 1¼ million dollars through earnings alone and this after the payment of dividends to shareholders at a new high level. I am sure that this achievement will give you, as it does me, considerable satisfaction.

It is our sad duty to record the death of two of our esteemed directors since our last meeting. Mr. L. A. Landriau, Q.C., who became a director in 1937 and was a Vice-President since 1961, and the Honourable Errick F. Willis, Q.C., LL.B., formerly Lieutenant Governor of Manitoba, who became a director in 1960. These directors had both high ability and great integrity. We were saddened by their passing and we will sorely miss their wise counsel as well as their warm personalities. We sustained a further loss in recent weeks in the death of Lieutenant Colonel D. F. Rogers, M.B.E., Chairman of our Calgary Advisory Board. We deeply regret this death and shall miss his participation in our affairs.

It is always a pleasure for me, as our financial circumstances permit, to announce a dividend increase to our shareholders. In view of the upward trend in earnings as well as the over-all strength of your Company, action was taken by the Board of Directors, to-day, in authorizing an increase in dividends from 40¢ to 45¢ per share per annum, beginning in the first quarter of 1967.

During the past year, all deposit receiving institutions, have been well tested as to their soundness and liquidity. It has been a testing time for the skills and devotion of management, as well as the soundness of corporate policy. The record of no casualties in our industry at any time has been maintained, and there is clear indication that the Federal Government through its supervision, inspection and review is determined that there shall be no casualties within its jurisdiction. I can report to you that the Federal supervision of the affairs of your Company is strict and thorough.

I find myself in agreement with the action recently taken by the Minister of Finance, in introducing a Federal Deposit Insurance Bill. The legislation as presently drafted, is designed to safeguard by insurance, all depositors of Federal incorporated deposit institutions, because it will be a requirement that all Federal savings institutions become a participant in the deposit insurance arrangements. It is also proposed that the new Deposit Corporation shall provide loans of last resort so that under suitable circumstances, the liquidity of unsound deposit institutions may be supported. It would seem, and already has been suggested, that by age, size and strength, the Federal institutions comprising the trust companies, the loan companies and the chartered banks are less in need of such deposit insurance for their customers than some of the like provincial institutions. For constitutional reasons there appears some doubt that deposit insurance can be made compulsory for provincial institutions, unless the provinces themselves decide that such will be so. However, the Federal legislation does provide for voluntary participation in the deposit insurance arrangement provided that the provinces so agree. Although the Deposit Insurance Bill does not seem to be in final form, and indeed the Minister of Finance has invited suggestions, the arrangement will be costly to institutions such as ours. Already it has been represented that its cost will be onerous to those institutions, which by their financial strength do not feel their depositors need such insurance. I have some sympathy with these views but I do feel that the Bill with certain modifications is in the over-all public interest. The essential purpose is the protection of depositors in recognized deposit institutions. This seems desirable because there is no way for most depositors to determine for themselves the soundness of the deposit institution. Knowledge that there is deposit insurance will resolve this difficulty.

Whether we like it or not, we are, and are looked upon, as a member of the national financial community. As in all communities the members have varying degrees of strength. Failure of one of the weaker members has important impact upon all members of the community. Unfortunately we have had examples of this in recent years with varying impact upon different members of the financial community. Anything which is good for the financial community as a whole must be good for each of its members. It is in this light, that I welcome the principles of the new Deposit Insurance legislation, although I do not believe, that it is of any value to our customers or to the customers of many other companies.

Some of us are old enough to remember the reasons why Federal Deposit Insurance was introduced in 1933 in the United States. In the intervening years the wisdom of such a step has never been seriously questioned. It is true that their deposit institutions were, and still are, of a very different form to those in Canada, but nevertheless the principle is sound. I cannot anticipate the final form of the legislation recently introduced into Parliament, but I believe when the Minister of Finance has considered the representations he now invites, that a satisfactory arrangement will result. I believe that the Bill should be amended to contain a definition of a deposit to be insured, notwithstanding the difficulties mentioned by the Minister of Finance in the debate. The premium of one thirtieth of one percent to be paid by the deposit institutions is close to the current experience in the United States. I believe that the Minister should give consideration as

to whether this premium is unduly high in light of the differences in the Canadian and United States pattern of deposit institutions. But in principle I agree with the proposal of the Minister of Finance, notwithstanding the fact, that the premium will be an important expense item in this Company over the years to come. I welcome the standards which will be introduced to determine insurability. Although we all know that there is no substitute for honesty, integrity and experience and that no amount of supervision will ensure complete safety, when fraud and theft are present, for these and other reasons one must welcome the safeguards proposed in this legislation.

At our meeting last year I reported to you about the changes in the Bank Act. We had expected that the new Bank Act would have been enacted before now. However, it is still being considered by Parliament, with little change to the provisions which we considered last year. You will recall that I expressed support for the changes in the Bank Act provided that concurrently appropriate changes were made for the trust companies. But as matters now stand, it seems that the banks will be authorized to enter the conventional mortgage field and to borrow by way of debentures—two activities which up until this time were largely restricted to the trust and loan companies. It does not seem reasonable that the banks should enter these new fields of activity—previously reserved to the loan and trust companies—unless the trust companies also receive some widening in their authorized activities. As a minimum, I feel that we should be empowered to service our own customers by making consumer and personal loans to them. Such loans are needed for such purposes as education, home improvements and many other things pertaining to the affairs of our customers. In large measure we are already in this kind of business, because during 1966 your Company provided the housing industry and home owners with mortgage loans in amount of 51 million dollars.

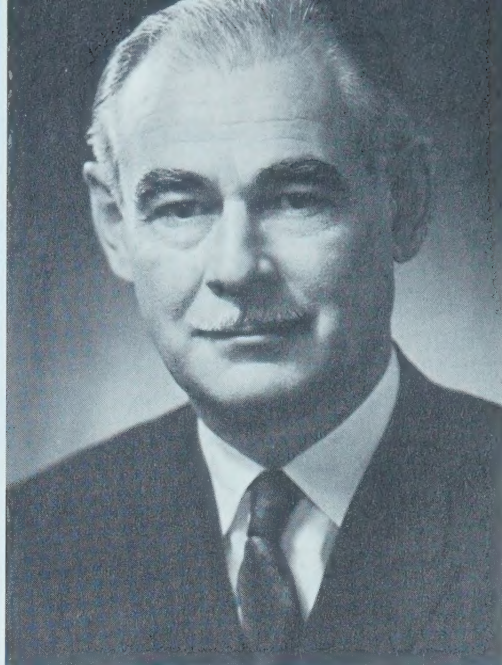
In some circles we are referred to as “near banks”. Whether this is deprecating or not I do not know. But in many cases the context is not too friendly. I object to the inference that we are some kind of a poor relation in the financial community. I would hope that when the banks receive power to enter the conventional mortgage field and to issue debentures—they will not be referred to as “near trust companies”.

Although great pressure has been placed on the management of all financial institutions by reason of unusual monetary conditions, with no immediate reversal in sight, there does seem to be some signs that the extreme tightness of the situation during 1966 may be easing. There seems to be a fairly general opinion that interest rates have peaked out, and we may look back upon 1966 as the time when interest rates reached their highest levels. The relationship between the cost of borrowing and the return from lending is a matter of prime importance to your Company. Notwithstanding our best efforts to the contrary, the cost of our borrowings must of necessity be more volatile than the yield from our lendings. This places pressures upon us in times of rising interest rates aggravated by keen competition for deposits. In times of falling interest rates our position is easier. When interest rates are relatively stable the spread between our borrowing, and lending rates is more easily manageable.

There is every reason to believe that the general Canadian economy will be favourable in the coming year, with the increase in the rate of growth somewhat lessened. I look forward to another good year for your Company. Most major trust companies offer the same basic services. The difference between Trust Companies is in the manner in which services are rendered. In 1966 Guaranty Trust continued to support its working philosophy that courteous, convenient and efficient personal service is the key to growth. This has been and will continue to be, a motivating force behind the progress of the Company.

PRESIDENT AND
GENERAL MANAGER'S
REPORT

ALLAN B. RAMSAY



Ladies and Gentlemen:

1966 will be recorded in the histories of the Canadian and International economies as the year of the big credit squeeze, of tight money and of high interest rates. These conditions were brought about by a sudden shift in policy by the monetary authorities in an effort to restrain the rate of credit expansion and cool out an over-heated economy. The credit squeeze, while pushing interest rates up, creates unprecedented competition among the money gathering agencies and a reduced flow of funds through the conventional savings and investment institutions.

Characteristic of to-day's credit markets is the low level of liquidity both in business and commercial banking at a time when bank credit commitments made in easier times must be met. Some competitive practices which are creeping in can only be deplored. For example, the phrase "near bank" coined by a banker as an expression of derision to apply to Trust Companies, has been subtly extended to embrace loan companies, and other financial institutions which, within the law, or skirting the law, accept public deposits so that we may be damned by association with those who may have been operating without sufficient liquid resources or engaging in lending and investment practices which raise questions as to their ultimate solvency. The expression is meaningless and should be eliminated from the vocabulary of Parliamentarians, analysts, editors and commentators.

The Trust Company is a unique Canadian institution. We do not create credit. Unlike many financial institutions who may literally do anything except what their constituting and governing laws preclude, we may do nothing except what our Federal Statute expressly authorizes. i.e. perform trustee functions as a fiduciary and accept money upon trust for investment and employ it in investments of the most selective types as authorized for trustees. This is our only financial intermediary role.

Now, in the light of our Chairman's observations and this introduction, let us proceed to look at your Company's 1966 performance and Statement of Condition.

Again in 1966, Guaranty Trust Company achieved new highs in Earnings, Deposits and Assets Under Administration.

Operating Results—Our 1966 Net Profit of \$2,657,350.00, up 12% over 1965, produced .76 per share as against .68 last year. This is equal to 10.6% return on shareholder's equity. Operating Income in 1966 was \$9,786,853.00 up \$672,767.00 or 7½% over 1965. Operating Expenses of \$4,744,160.00 were up 8%. Although salaries and employee benefits increased by \$375,000.00, we succeeded in holding over-all Operating Expense at 48% of Operating Income. Income Taxes increased to \$2,092,200.00.

Dividends—Dividends of \$1,400,000.00 were paid to shareholders compared to \$1,190,000.00 in 1965.

Capital Funds—After taxes, write-offs of furniture and equipment purchased, depreciation on real property and provision for dividends, we enjoyed retained earning of \$1,257,350.00. At December 31st, 1966, our Capital, Reserve and Undivided Profits amount to \$26,258,689.00.

Shareholders—217 additional names were introduced on our Shareholder's Register bringing the total to 3,288. Your response to our invitations to patronize the services and facilities of your Company has been most gratifying to your Directors and Officers, while, we hope, rewarding to you.

Guaranteed Funds—Total Demand and Term Deposits of \$413,090,694.00 are up \$47,455,747.00, or 13% over 1965. This increment, during a year characterized by the most aggressive pursuit of the dollar by all competing agencies, may not be considered as unsatisfactory and does, I suggest, reflect public confidence in our sound financial position and investment practices. Nevertheless, I must note for you that the whole of our growth occurred in term, rather than in demand, deposits. From year to year we report that assets held for Guaranteed Trust Account are kept separate from the Company's own assets and are so recorded on the books of the Company. What does this statement mean? What is a Guaranteed Investment Deposit or Certificate? By whom is it guaranteed? When one makes a deposit with a bank or loan company, or buys a bank certificate or a note or debenture of a loan or finance company, a debtor-creditor relationship ensues. The depositor is a creditor just as is any other commercial or contractual creditor. Not so with us. Our pass book or Guaranteed Investment Certificate acknowledges that we have "received upon trust for investment" a sum of money. Our relationship with our depositor or certificate holder is one of trustee-beneficiary. The total moneys so deposited are invested dollar for dollar in high-grade securities and first mortgages in accordance with the rules of eligibility defined in The Trust Companies Act, and these securities belong to the depositors. They are segregated from our own funds on our books and in our vaults.

Now, in addition to that primary security, we, Guaranty Trust Company of Canada, unconditionally guarantee repayment of the principal and interest at the contract rate. This guarantee is backed by our own assets in Capital Account, viz: \$26,250,000.00.

At the year end our Guaranteed Funds were invested 70% in first mortgages and 30% in liquid holdings comprising cash, call loans, Government and Corporation securities and stocks. Our liquid investments were increased in 1966 from 87.6% to 93% of our Demand Deposits. Our Cash on Hand and holdings of investments in Governments and their guarantees amount to 90% of our total Demand and Term Deposits.

Investments—Our mortgages were increased during the year by \$40,256,000.00 to \$284,979,000.00, 89% of these mortgages are insured under The National Housing Act.

Bonds of, or guaranteed by the Government of Canada or a Province of Canada, were increased by \$18,000,000.00 to \$98,632,000.00. These bonds are carried at amortized cost and the average term thereof is 9½ years. Other high grade securities, including Municipals, carried at \$42,000,000.00, have a market value in excess of Balance Sheet figures. Our equity investments at December 31st, total \$3,429,000.00.

Premises and New Offices—Since we last met, very attractive Offices have been opened at King and James Streets, Hamilton and in Place Versailles, Montreal—both in rented premises. As is our practice, all costs of furnishing, equipping and launching have been written off to Operating Expenses. The progress of our Simcoe, Ontario Office has been such that we outgrew our rented premises there contemporaneously with the expiry of our lease. This week we moved into our newly purchased and renovated building on the main corner of that thriving Norfolk County town. During the year our Office facilities in Oshawa were materially expanded and in North Bay, were doubled in area. We now have 42 Offices and are committed to 5 more. Ten years ago to-day, we operated 9 Offices only. This expansion has been thoughtfully, carefully and aggressively pursued and has been attended in the same ten years by growth in Capital Assets of \$21,000,000.00, in Estates and Trusts of \$200,000,000.00 and in Deposits of \$362,000,000.00.

Trust Services—Estates, Trusts and Agencies in our care are up during the year by \$24,000,000.00 to \$278,984,322.00 notwithstanding very material pay outs to taxation authorities and beneficiaries, etc. These fiduciary services are the one facet of our business which the legislature proposes preserving exclusively to the Trust Companies. Income earned in the performance of personal and corporate trust services was \$2,789,794.00, up 14% over 1965. This amounts to 30% of our gross Operating Income and sustains the growth rate we established in the previous year. Trust services require professional knowledge, judgment and skills acquired through years of training, study and experience. It follows that growth in this service area reflects public acceptance and confidence which can be generated only by a job well done. The figures before you indicate not only the Company's financial strength but also the competence and devotion of its trust men and trust women, to whom I pay tribute. Under this caption "Trust Services" and while paying tribute to men, let me congratulate Premier Manning of Alberta on his announced intention of foregoing that Province's claim to 75% of the Estate Tax which Canada assesses, collects and remits back to the Province. This move might just be the instrument of persuasion needed to convince the Federal Government to abandon this area of taxation.

Directors, Advisory Boards and Staff—May I express to Directors, Advisers, Executive Officers, Management and all personnel who contributed so well to the accomplishment of another gratifying year of progress for your Company, my sincere thanks and yours. Mr. Berry has recorded with regret the loss of two distinguished Directors during 1966, it should also be noted for the record that Dr. F. R. Joubin has requested that his name not stand for re-election to-day. This internationally respected geologist and engineer has made his services exclusively available to United Nations and is contributing to the betterment of mankind throughout the world. His almost constant absence from Toronto makes it impractical for him to attend Board Meetings. We shall miss his kindly countenance and wise counsel. We are assured of his continuing loyalty and interest.

On behalf of your Directors and Management, I pledge to you our Shareholders, that in Canada's Centennial Year, we shall strive to maintain our solidarity and vigour for the greater benefit of our customers and shareholders.

GUARANTY TRUST COMPANY OF CANADA



STATEMENT OF AFFAIRS

Assets

SECURITIES:

	1966	1965
Government of Canada and Provinces of Canada- - -	\$ 98,632,576.72	\$ 80,928,506.04
Canadian Municipal- - - - -	4,290,550.87	4,959,353.38
Stocks - - - - -	3,429,020.83	2,749,499.96
Other Securities, not exceeding market value- - -	33,749,029.85	46,127,009.62
	<u>\$140,101,178.27</u>	<u>\$134,764,369.00</u>
Cash in banks and on hand - - - - -	7,857,090.37	5,622,844.03
Loans on Bonds and Stocks - - - - -	3,215,008.61	2,385,505.22
Advances to Estates - - - - -	76,792.39	34,670.10
First Mortgages - - - - -	284,979,090.78	244,723,243.37
Office Premises and Equipment - - - - -	4,320,768.90	4,251,447.33
Other Assets - - - - -	8,325.92	1,396.62
	<u>\$440,558,255.24</u>	<u>\$391,783,475.67</u>

We hereby certify that to the best of our knowledge and belief the above statement is correct and shows truly and clearly the financial condition of the Company's affairs.

J. WILSON BERRY, <i>Chairman of the Board</i>	}	<i>Directors</i>
A. B. RAMSAY, <i>President and General Manager</i>		
A. J. MAJOR, <i>Vice-President</i>		

TOTAL ASSETS UNDER ADMINISTRATION:

Cash, securities and other assets held for Estates, Trusts and Agencies - - - - -	\$278,984,322.34	\$254,966,273.44
Capital and Guaranteed Trust Funds Assets - - - -	440,558,255.24	391,783,475.67
	<u>\$719,542,577.58</u>	<u>\$646,749,749.11</u>

AUDITORS

We have examined the Statement of Affairs of Guaranty Trust Company of Canada as of December 31, 1966. Our accounting records and such other auditing procedures as we considered necessary in the circumstances. We have verified the assets held for Guaranteed Trust Funds and for Estates, Trusts and Agencies are kept separate from the Company's other assets. In our opinion the accompanying Statement of Affairs is properly drawn up so as to set forth a true and correct view of the financial condition of the Company as at the date given to us and as shown by the books of the Company.

January 9, 1967.



COMPAGNIE GUARANTY TRUST DU CANADA

RS DECEMBER 31, 1966

Liabilities and Capital

GUARANTEED TRUST FUNDS:

	1966	1965
Savings Deposits - - - - -	\$162,541,039.60	\$162,874,407.96
Guaranteed Investment Certificates - - - - -	233,489,497.83	185,232,817.41
Short Term Deposits - - - - -	17,060,156.92	17,527,722.14
	<u>\$413,090,694.35</u>	<u>\$365,634,947.51</u>
Provision for Federal and Provincial Taxes - - - - -	858,871.89	849,689.39
Dividend Payable January 15, 1967 - - - - -	350,000.00	297,500.00
	<u>\$414,299,566.24</u>	<u>\$366,782,136.90</u>

CAPITAL FUNDS:

Capital Stock Outstanding, 3,500,000 shares, \$2.00 par -	\$ 7,000,000.00	\$ 7,000,000.00
Reserve Fund - - - - -	18,000,000.00	17,000,000.00
Undivided Profits - - - - -	1,258,689.00	1,001,338.77
	<u>\$ 26,258,689.00</u>	<u>\$ 25,001,338.77</u>
Total Liabilities and Capital - - - - -	<u>\$440,558,255.24</u>	<u>\$391,783,475.67</u>

STATEMENT OF UNDIVIDED PROFITS

	1966	1965
Profits for the year after providing for expenses of management, accrued interest, contingencies, contributions to insurance and pension fund - - - - -	\$ 5,042,692.41	\$ 4,716,085.37
Depreciation of office premises and equipment - - - - -	293,142.18	318,596.96
Provision for Federal and Provincial Taxes - - - - -	2,092,200.00	2,023,000.00
Net Profit for the year - - - - -	<u>\$ 2,657,350.23</u>	<u>\$ 2,374,488.41</u>
Dividends - - - - -	1,400,000.00	1,190,000.00
	<u>\$ 1,257,350.23</u>	<u>\$ 1,184,488.41</u>
Undivided profits brought forward from previous year -	1,001,338.77	816,850.36
	<u>\$ 2,258,689.00</u>	<u>\$ 2,001,338.77</u>
Transferred to Reserve Fund - - - - -	1,000,000.00	1,000,000.00
Undivided Profits at year end - - - - -	<u>\$ 1,258,689.00</u>	<u>\$ 1,001,338.77</u>

CERTIFICATE

ination was made in accordance with generally accepted auditing standards and accordingly included such tests of the d all the information and explanations we have required.

wn assets and are so earmarked on the books of the Company as to show the accounts to which they belong.

state of the affairs of Guaranty Trust Company of Canada according to the best of our information and the explana-

ERNST & ERNST, Chartered Accountants.

WHERE THE GUARANTY TRUST DOLLAR CAME FROM



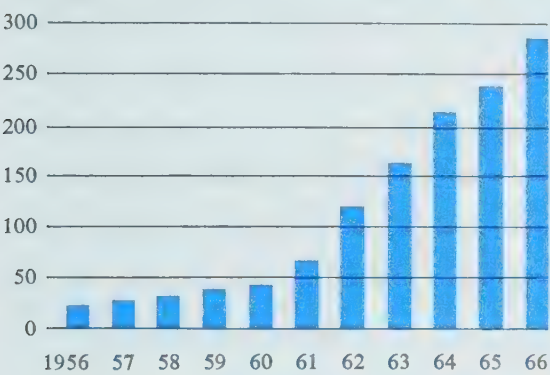
WHERE THE GUARANTY TRUST DOLLAR WAS USED



A RECORD OF THE PAST TEN YEARS

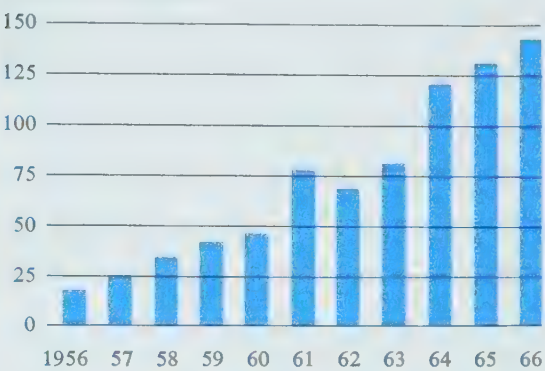
FIRST MORTGAGES

89.1% guaranteed under the National Housing Act
MILLIONS OF DOLLARS



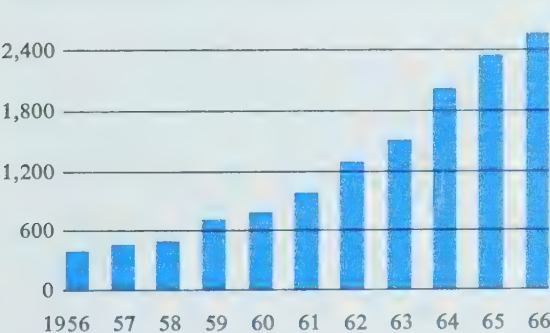
INVESTMENT SECURITIES

MILLIONS OF DOLLARS



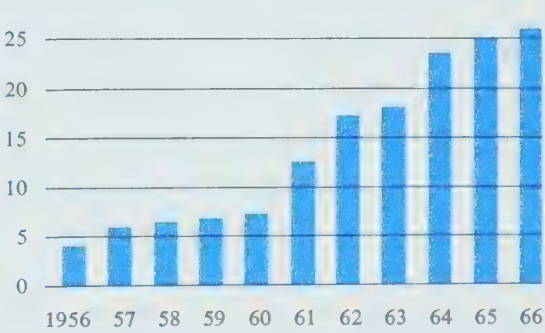
NET PROFITS (after Taxes)

THOUSANDS OF DOLLARS



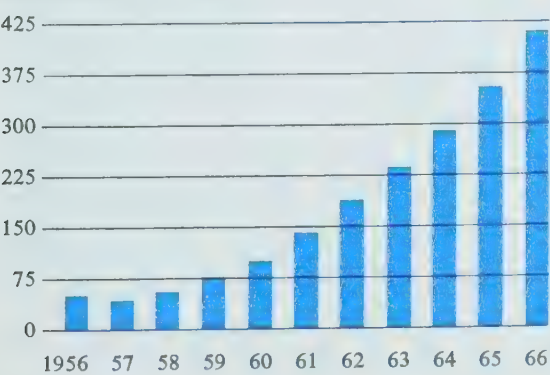
CAPITAL & RESERVE

MILLIONS OF DOLLARS



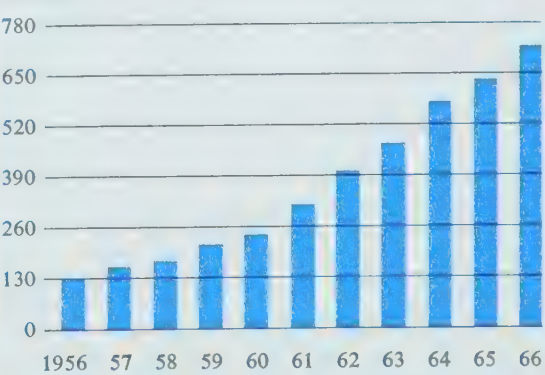
DEPOSITS

MILLIONS OF DOLLARS



TOTAL ASSETS

MILLIONS OF DOLLARS



ADMINISTRATIVE OFFICERS



Chairman

J. WILSON BERRY

President and General Manager

ALLAN B. RAMSAY, LL.B.

Vice-President

EDWARD T. BERRY
(Windsor)

Vice-President

G. HAROLD EDWARDS, C.A.

Deputy General Manager

R. L. ARMSTRONG, LL.B.

Deputy General Manager

J. J. OLS CAMP

Assistant General Managers

A. R. ASHFORTH, C.A.
(Comptrollers Dept.)

H. R. BARCLAY
(Investment Dept.)

J. D. CREASE, LL.B.
(Estates and Trusts Dept.)

Manager Corporate Trusts

V. H. PERRY

Treasurer

H. F. SUTTON

Secretary

PETER F. BENNETT, LL.B.

Supervisors

W. C. MULVIHILL
(British Columbia)

G. DOUGLAS ASH
(Alberta)

E. W. LAWBY
(Saskatchewan)

LINCOLN JOHNSON
(Manitoba)

K. C. MORRIS
(Niagara Peninsula)

PAUL VAILLANCOURT, JR.
(Quebec)

OFFICES AND AGENCIES

ALBERTA

CALGARY - - - - - 311 Eighth Ave. W.
G. D. Ash, *Supervisor Alberta*
C. R. Sharp, *Manager*
EDMONTON - - - - - 10003 Jasper Avenue
E. K. Stephens, *Manager*

BRITISH COLUMBIA

VANCOUVER - - - - - 624 Howe St.
W. C. Mulvihill, *Supervisor British Columbia*
D. S. Willard, *Manager*
1655 Marine Drive, West Vancouver
A. E. F. Staple, *Manager*
2741 Granville Street - A. J. Kunz, *Manager*
VICTORIA - - - - 212 Yarrow Bldg., Fort St.
Lloyd G. McKenzie, *q.c., Agent*

MANITOBA

WINNIPEG - - - - - 430 Portage Ave.
Lincoln Johnson, *Supervisor Manitoba*
D. V. Roberts, *Manager*

NEW BRUNSWICK

FREDERICTON - - - - - 61 Carlton St.
H. A. Hanson, *q.c., Agent*

NEWFOUNDLAND

St. JOHN'S - - - - Bank of Montreal Bldg.
Eric Cook, *q.c., Agent*

NOVA SCOTIA

HALIFAX - - - - - 428 Barrington St.
Ronald J. Downie, *Agent*

ONTARIO

BELLEVILLE - - - - - 199 Front St.
W. S. Wills, *Manager*
CORNWALL - - - - - 254 Pitt St.
J. L. Cook, *Manager*
FORT WILLIAM - - - - - 516 Victoria Ave.
T. M. Roberts, *Manager*
HAMILTON - - - - - 82 King St. E.
J. G. Campbell, *Manager*
HANOVER - - - - - 261-10th St.
F. C. Hicks, *Manager*
LEAMINGTON - - - - - 25 Talbot St. E.
G. R. Wigle, *Manager*
NIAGARA FALLS - - - - - 424 Queen St.
K. C. Morris, *Supervisor Niagara Peninsula*
D. T. Lambe, *Assistant Manager*
1799 Main St. - K. H. Lindsay, *Manager*
NORTH BAY - - - - - 101 Main St. E.
L. M. Edwards, *Manager*
OSHAWA - - - - - 32 King St. E.
R. Harmatare, *Manager*

OTTAWA & DISTRICT - - - - 109 Bank St.
C. H. Ferris, *Manager*
G. J. Lalonde, *Assistant Manager*
Billings Bridge Plaza
H. W. E. Mallalieu, *Manager*
PEMBROKE - - - - - 126 Pembroke St. W.
H. G. Shaver, *Manager*
PETERBOROUGH - - - - - 348 George St. N.
W. J. Chapman, *Manager*
PORT ARTHUR - - - - - 215 Arthur St.
S. K. McNeely, *Manager*
RICHMOND HILL - - - - 44 Yonge St. S.
K. A. Brown, *Manager*
ST. CATHARINES - - - - 110 King Street
G. M. Bird, *Manager*
SAULT STE. MARIE - - - - 498 Queen St. E.
D. R. Cook, *Manager*
SIMCOE - - - - - 2 Norfolk St. S.
H. W. Fick, *Manager*
SUDBURY - - - - - 105 Durham St. S.
C. D. Aiken, *Manager*
O. F. Gross, *Assistant Manager*
TORONTO & DISTRICT:
366 Bay Street
R. L. Armstrong, *Deputy General Manager*
E. H. Streeter, *Assistant Manager*
J. D. Nowlan, *Savings Manager*
1719 Avenue Road - H. A. Perkin, *Manager*
970 Bloor Street West, U. A. Superina, *Manager*
45 Don Mills Centre, H. B. Fullerton, *Manager*
2555 Victoria Park Ave., G. K. Gordon, *Manager*
2488 Yonge Street - J. L. Woods, *Manager*
3204 Yonge Street - J. C. Dunk, *Manager*
4809 Yonge Street - K. H. Doughty, *Manager*
WELLAND - - - - - 62-64 East Main St.
K. J. P. Moser, *Manager*
WINDSOR - - - - - 305 Victoria Ave.
Edward T. Berry, *Vice-President*
J. B. Walker, *Manager*

QUEBEC

HULL - - - - - 114 Main Street
P. Crevier, *Manager*
MONTREAL - - - - - 427 St. James St. W.
P. Vaillancourt, Jr., *Manager*
7275 Sherbrooke St. E. - Y. Pilon, *Manager*

SASKATCHEWAN

MOOSE JAW - - - - - 351 Main St. N.
A. J. J. Lacey, *Manager*
REGINA - - - - - 2020-11th Avenue
E. W. Lawby, *Supervisor Saskatchewan*
A. O'Leary, *Manager*
SASKATOON - - - - - 212-22nd Street E.
J. W. Callaghan, *Manager*

FOREIGN AGENTS

NEW YORK, Bankers Trust Company;
LONDON, ENG., Royal Bank of Canada;
NASSAU, BAHAMAS, Guaranty Trust Bank
Limited;

ADVISORY BOARD MEMBERS



The following are associated with the Company and contribute valuable advice and assistance as members of local Advisory Boards.

ALBERTA

CALGARY

CHARLES S. LEE
President, Western Decalta Petroleum Ltd.
J. L. MACPHERSON
Patterson, MacPherson & Kelly
D. C. MATTHEWS
Vice-President, Highland Stock Farms Ltd.
LT.-COL. G. W. H. MILLICAN, Q.C., M.C.
Chairman
EDWARD O'CONNOR
Administrator, Calgary Associate Clinic

EDMONTON

G. W. MCNEILL
HONOURABLE GEORGE PRUDHAM, *Chairman*
President, Prudham Building Supplies Limited
E. S. SUNLEY
Managing Director, Sunley Electric Limited
L. W. WHITE
L. E. WILSON
President and Managing Director,
Futurity Oils Limited

BRITISH COLUMBIA

VANCOUVER

J. G. BENNETT, *Vice-President, Chairman*
President, Bennett Corporation Limited
F. S. CLENDENNING
Director, Empire Shipping Company Limited
W. J. HUSSEY, *President, Wilmae Holdings*
Limited
J. D. LEISHMAN, M.D.
J. F. MCDANIEL
President, McDaniels Properties Limited
F. D. MATHERS
Chairman, Royal City Foods Limited
B. H. RAE
Rae-Son Limited
P. M. REYNOLDS, C.A.
President, Bethlehem Copper Corporation
Limited

MANITOBA

WINNIPEG

N. W. BREWER
Secretary-Treasurer, W. A. Irish & Co.
HENRI D'ESCHAMBAULT
President, Henri D'Eschambault Ltd.
PHILIP HALLS
President, Halls Associates (Western) Ltd.
MORRIS NEAMAN
President, Sterling Cloak Co. Ltd.
W. L. PALK, B.A., LL.B.
Pitblado, Hoskin & Company

ONTARIO

BELLEVILLE

DOUGLAS G. BURR, B.A.
Burr Insurance Agency
G. R. CAMERON, B.Com.
Sprague & Cameron
F. A. DOMENICO
R. BRUCE GRAHAM
Investments
L. E. GRILLS, M.P.
President, Lee Grills Dairy Limited
A. M. HAIG, O.B.E., B.A., *Chairman*
President, Moira-Schuster Limited
H. J. MCFARLAND
President, H. J. McFarland
Construction Company
J. M. PARROTT
President, Stanleypark Limited

CORNWALL

S. E. FENNELL, Q.C., LL.D., *Chairman*
Fennell, Rudden, Campbell & Wilson
W. R. MACEWAN
President, Maxville Feed & Seed Co. Ltd.
C. D. PARISIEN
President, Cornwall Petroleum Limited
G. W. THOM
President, The Thom Insurance Agency Limited

FORT WILLIAM-PORT ARTHUR

JOHN ANDREWS
President, Northland Machinery Supply
Company, Limited

ADVISORY BOARD MEMBERS (*continued*)

ONTARIO

FORT WILLIAM-PORT ARTHUR (*continued*)

HUBERT BADANAI, M.P.
President, Kam Motors Limited
O. CLAYDON
*President & General Manager,
Claydon Company Limited*
P. R. COOK
President, Barnett-McQueen Co. Ltd.
K. A. MINERS
*Vice-President, Financial
The Great Lakes Paper Company Limited*
R. J. FLATT, *Chairman*
President, G. R. Duncan & Co. Limited

HAMILTON

W. HEWSON
President, Wm. Hewson Enterprises Limited
J. H. TEMPLIN

HANOVER

G. W. HOUGH, *Chairman*
President, Bruce Motors Limited
A. J. METZGER
President, Happy Landing Investments Limited

NIAGARA FALLS

E. J. BUELL, JR.
*President, The Niagara Wire Weaving
Company Limited*
R. H. COULSON
W. B. GUNNING
President, Cataract Canvas Limited
F. H. LESLIE, *Vice-President, Chairman*
President & Publisher
Niagara Falls Evening Review
W. B. LESLIE
*General Manager & Director,
F. H. Leslie Limited*
W. S. MARTIN, Q.C.
Martin, Calvert, Sheppard & Clark
F. C. MASTERS
A. G. STRANG, M.D.

OSHAWA

T. H. COPPIN
S. E. LOVELL
President, Jury & Lovell Ltd.
T. L. WILSON, *Chairman*
Publisher of Oshawa Times
H. L. GAY
President, Gay Company Limited

OTTAWA

GEORGE ADDY, Q.C.
Vincent, Addy and Bonneau
ROBERT CAMPEAU
President, Campeau Construction Co. Ltd.
PHILIP T. DAVIS
A. J. FROST, *Executive Director,
Association of Canadian Business Bureaux Inc.*
ORIAN LOW, Q.C.
Low, Murchison, Burns & Thomas
MRS. S. A. MACKEY-SMITH
Chairman, Booth Lumber Limited
A. J. MAJOR, LL.D., K.C.S.G., K.M., *Chairman*
Vice-President

OTTAWA (*continued*)

A. G. MCHUGH, Q.C.
McHugh & Devine
G. H. NELMS
Prescription Optician

PETERBOROUGH

M. CATHCART
President, Cathcart Freight Lines Limited
M. COLUMBIA, B.Acc., *Chairman*
Chartered Accountant
W. J. GARNER
*General Manager, Peterborough Examiner Co.
Ltd.*
K. A. DUFFUS
President, Duffus Motors Limited
J. G. WHARRY
*President, The Quaker Oats Company of
Canada Ltd.*

ST. CATHARINES

I. D. BUCHANAN
Partner, J. D. Buchanan & Sons
M. A. CHOWN
Chown, Cairns, Edgar & Taliano
W. D. HATCH, *Chairman*
President, T. G. Bright & Co. Limited
R. T. SAWLE
*Executive Vice-President, Blenkhorn and Sawle
Limited*

SAULT STE. MARIE

A. Y. BROUGHTON, *Chairman*
President, Broughton's Pharmacy Limited
D. M. LAWSON, Q.C.
Lawson & Priddle
G. F. LANGDON
C. B. NOBLE
Wishart, Noble, Nori & Reilly
A. B. SINCLAIR, M.D., F.R.C.S.(C)
*Chief of Staff,
Plummer Memorial Public Hospital*

SUDBURY

W. J. DORAN
*President, Doran's Northern Ontario Breweries
Limited*
P. GARDNER
Gardner Motors Limited
M. V. J. KEENAN, D.D.S.
G. M. MILLER, Q.C., *Vice-President, Chairman*
Chairman, Cambrian Broadcasting Limited
J. E. RACICOT
W. J. SHEA, Q.C.
Facer, Shea, Mossop & Stoner

TORONTO

EWART ANGUS
Financier
J. P. BASSEL, Q.C.
Bassel, Sullivan, Holland & Lawson
J. WILSON BERRY
Chairman of the Board
M. J. BOYLEN, D.C.L., D.Sc.
*Chairman & President, Brunswick Mining and
Smelting Corporation Limited*

ADVISORY BOARD MEMBERS (*continued*)

ONTARIO

TORONTO (*continued*)

E. G. BURGESS
Investment Counsellor

J. B. CARSWELL, O.B.E.
Consulting Engineer

HONOURABLE P. M. DEWAN
Vice-President, Dewcon Structures Limited

G. C. KNOWLES
Consultant

J. P. MANLEY, Q.C.
Manley, Grant & Armstrong

DAVID B. MANSUR, C.B.E.
President, Kinross Mortgage Corporation

R. C. MOTT
Consultant, Falconbridge Nickel Mines Limited

D. W. NAYLOR
Executive Vice-President, Traders Group Limited

E. M. PROCTOR, B.A.Sc., Vice-President,
Chairman
President, Proctor & Redfern

A. B. RAMSAY, LL.B.
President and General Manager

STEPHEN B. ROMAN, K.C.S.G.
Chairman and President, Denison Mines Limited

W. F. SPRY, F.I.I.C., Vice-President
President, Canadian General Insurance Company

R. M. WILLMOTT, Vice-Chairman of the Board
President, Traders Group Limited

R. F. WILSON, Q.C.
Day, Wilson, Campbell & Martin

WELLAND

D. W. LATHROP, P.Eng.
Vice-President, Beamer-Lathrop Limited

T. A. LEON
President, Ablan Leon Limited

S. S. MACINNES, Q.C., Chairman
MacInnes, Spencer, Humphries and Wallace

A. L. MACLEAN
Chairman, MacLean Motor Sales Ltd.

E. G. MARSH
President & General Manager, E. G. Marsh Limited

WINDSOR

EDWARD T. BERRY
Vice-President

W. H. FURLONG, Q.C., Vice-President
Chairman, S. W. & A. Railway Company

F. G. HOLMES
Member, Board of Broadcast Governors

R. W. KEELEY, K.S.G., K.M., Chairman
Director, International Tools Limited

R. S. RIDDELL, Q.C.

F. T. SHERK
Industrialist

G. R. WELLER
Board of Governors, University of Windsor

QUEBEC

HULL

S. E. DUSSAULT, C.D.'A.A., Vice-Chairman
President, S. Edgar Dussault & Sons Inc.

L. J. GREGOIRE, B.Sc., Chairman
President, L. J. Gregoire & Company

DR. GASTON ISABELLE, M.P.
Lucerne, P.Q.

J. H. KELLY
President, Kelly-Leduc Limited

THOMAS MONCION

COL. GERARD MOREAULT
President, Gerard Moreault Limited

PAUL F. RAYMOND
President, A. L. Raymond Ltd.

MONTREAL

H. F. BALDWIN
President, Pinnacle Holdings Inc.

J. J. BEAUCHEMIN
Beauchemin & Valiquette

R. R. BELANGER, Chairman
President, Belanger Inc.

J. N. CAYOUEE
Fiscal Agent

G. O. CLERMONT, Vice-Chairman
President, Clermont Motors Limited

E. J. CREVIER
Financier

HON. COL. P. H. DESROSIER
President, P. H. Desrosiers Enterprises

C. J. DUPUIS, K.St.J.
President, Dupuis, Parizeau, Tremblay, Inc.

R. F. ELLIOTT, Q.C.
Stikeman, Elliott, Tamaki, Mercier & Turner

BRIG. J. GUY GAUVREAU, D.S.O., E.D.
President and General Manager of Place Bonaventure Inc.

R. B. MAJOR
Vice-President, Major Investments Limited

H. J. O'CONNELL, K.C.S.G.
Chairman, H. J. O'Connell Limited

SASKATCHEWAN

MOOSE JAW

BORIS DUBINSKY, Q.C., Chairman
Dubinsky, Dubinsky & Markewich

R. V. EBERLE
Farmer

A. JOHN ELLIOTT
President, Elliott Motors (1957) Ltd.

TREVOR B. SEABORN

F. H. WIGMORE, M.D.
Director, Saskatchewan Chamber of Commerce

REGINA

S. C. ATKINSON
Director, General Films Ltd.

R. M. CROWE

J. H. LANE
Director, Saskatchewan Municipal Hail Insurance Company

J. B. SANGSTER, Chairman
President, Mid-West Motors Limited

GEO. C. SOLOMON
President, Western Tractor Ltd.

SERVICES

ADMINISTRATION OF ESTATES

Guaranty Trust Company of Canada makes an ideal executor or administrator of an estate. A skilled, experienced staff is at your service—ready to deal with the many problems that are involved in handling an estate today, including succession duties, estates and income taxes. Each estate is in charge of a senior trust officer, supported by the advice and guidance of the executive officers, directors and local advisory boards which are comprised of men prominent in the commercial, professional and industrial life of Canada. Efficient, economical administration is assured.

It costs no more to have Guaranty Trust Company of Canada act as executor or co-executor of your estate than to have a private individual, and remember, the Trust Company does not die—it is always available.

SAVINGS ACCOUNTS

At each conveniently located Guaranty Trust Office is a savings department with a friendly staff. Savings accounts earn more at Guaranty Trust with full chequing privileges. Deposits may be made by mail, postage-paid envelopes provided. Longer office hours.

SAVINGS DEPOSIT RECEIPTS

Interest on Daily balance. Redeemable at any time. Minimum \$5,000.

TERM DEPOSITS

Deposits for a fixed term bear a higher interest rate, and are a legal investment for trust funds.

GUARANTY TRUST INVESTORS FUND

This features the professional management of money. It offers an investment opportunity at low cost to the investor whether he has \$100 or \$50,000 to invest.

STOCK TRANSFERS

Guaranty Trust Company of Canada acts as transfer agent and registrar of stocks and bonds. In addition the Company serves as trustee of pooled stock, escrow agent, disbursing agent of dividends and in other capacities.

INVESTMENT MANAGEMENT

This Company acts as trustee for men and women who wish to be freed from the worry and care of handling either securities or real estate. By a pre-arranged contract drawn to suit your individual requirements this Company will take over the onerous details of supervising your investments and offer advice on securities, if desired. The small cost for this service is an allowable expense for income tax purposes. The investment advisory service is under the direction of a specially qualified Investment Committee.

INVESTMENT CLUBS

Investment management facilities for private and professional groups and syndicates.

PENSION TRUSTS

Trustee for pension plans, profit-sharing programmes, supplemental unemployment benefit plans, thrift and savings plans for employee groups: registered retirement savings plans for professional and self-employed individuals.

TRUSTEE SERVICE FOR BONDHOLDERS

Of interest to incorporated companies and religious institutions is the service this Company offers as trustee under bond mortgage, securing issues of bonds or notes.

SAFE-KEEPING SERVICE

A safe-keeping service is available to individuals and corporations under which this Company will hold and safeguard securities, collect interest, keep records, prepare income tax and other statements, and watch for maturities, redemptions or reorganizations.

TRUSTEE

Under the bankruptcy act, liquidator, receiver and manager, guardian, curator, committee, etc.

SAFETY DEPOSIT VAULTS

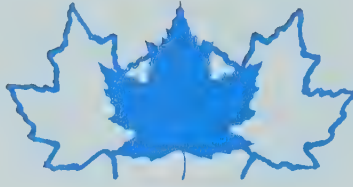
Modern vaults provide boxes of various sizes for the safe-keeping of securities, documents and valuables from fire and theft. The annual charge is small.

REAL ESTATE SERVICES

This Company maintains active real estate departments for sales, appraisals, and management of real property.

CHRISTMAS AND VACATION CLUBS

Through these systematic savings plans Guaranty Trust offers the opportunity of prepaying expenses for Christmas and Holidays.



1867-1967

Canada's One Hundredth Birthday

Birthdays are a time of festivity. They are also a time for stock taking and looking ahead.

In this year of 1967, as our country celebrates, as it surveys its accomplishments, a nation-wide reassurance seems to be emerging. It's as if we have, at last, come to realize our huge potential; the vast resources of power, minerals, great lakes and rivers and mountains and prairies, transportation networks, burgeoning industry. Perhaps we did not realize these facts before; now, we suddenly seem a big step closer to realizing the full scope of our Canadian identity.

For over forty of our country's first one hundred years, your Guaranty Trust Company of Canada has been growing and establishing its identity; today it is Canada's largest independent trust company. We look forward to the years ahead with confidence and the anticipation that our company will continue to grow apace with a growing Canada.

Chairman of the Board.

President and General Manager.



LIQUID RESOURCES

"Cash on the Barrelhead"

You will observe that Cash, Bonds and other liquid securities amounting to \$151,173,277.25 are 93 % of Savings Deposits.



ONE OF CANADA'S
MAJOR TRUST COMPANIES

AR32

Guaranty Trust



OFFICES

BELLEVILLE	199 Front Street
CALGARY	311 Eighth Ave. W.
CORNWALL	254 Pitt Street
EDMONTON	10003 Jasper Avenue
FORT WILLIAM	516 Victoria Avenue
HAMILTON	82 King Street E.
HANOVER	291-10th Street
HULL	114 Main Street
LEAMINGTON	25 Talbot Street E.
MONTREAL	427 St. James St. W.
MOOSE JAW	351 Main Street N.
NIAGARA FALLS	424 Queen Street
	1799 Main Street
NORTH BAY	101 Main Street E.
OSHAWA	32 King Street E.
OTTAWA	109 Bank Street
	2267 Riverside Drive E.
	(Billings Bridge Plaza)
	1182 St. Laurent Blvd.
	(St. Laurent Shopping Centre)
	126 Pembroke Street W.
PEMBROKE	348 George Street N.
PETERBOROUGH	215 Arthur Street
PORT ARTHUR	2020-11th Avenue
REGINA	44 Yonge Street S.
RICHMOND HILL	110 King Street
ST. CATHARINES	212-22nd Street E.
SASKATOON	498 Queen St. E.
SAULT STE. MARIE	2 Norfolk St. S.
SIMCOE	105 Durham Street S.
SUDBURY	366 Bay Street
TORONTO	1719 Avenue Road
	970 Bloor Street W.
	2488 Yonge Street
	3204 Yonge Street
	4809 Yonge Street
	#45 Don Mills Shopping Centre
	2555 Victoria Pk. Ave.
VANCOUVER	624 Howe Street
	1655 Marine Dr., W. Van.
	12th & Granville St.
	1452 Lonsdale Ave., N. Van.
	62 East Main Street
WELLAND	305 Victoria Avenue
WINDSOR	430 Portage Avenue
WINNIPEG	

COMPARATIVE STATISTICAL DATA

on

MAJOR TRUST COMPANIES IN CANADA

December 31, 1968



Prepared by
The Investment Department
GUARANTY TRUST COMPANY OF CANADA
366 Bay Street, Toronto 1, Ontario
366-1531

MAJOR TRUST COMP

COMPARATI

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	Royal Trust & wholly-owned subsidiaries 1992	Guaranty Trust 1925	**Can. Perm Tor. Gen. (1) Can. Perm 1961
Date of Incorporation			
Capital, Reserves and Undivided Profits	\$ 46,950,000	\$ 32,572,838	\$ 31,207,000
Rank	1	2	3
Guaranteed Trust Funds	847,032,000	500,512,844	509,008,000
Rank	1	3	2
Net Profit after Taxes	4,674,000	2,942,758	2,512,000
Rank	1	2	3
Average Rank	1	2	3
Par Value of Capital Shares	\$ 1.00	\$ 2.00	\$10.00
Book Value Per Common Share	11.89	8.38	28.07
Market Value Per Common Share, Dec. 31/68	22.87	11.75	—
% of Book Value to Market Value	52.0%	71.3%	—
Earnings Per Common Share	1.42	0.81	2.26
Dividends Paid Per Share	0.75	0.47¼	1.60
% of Profits Paid in Dividends	52.8%	58.3%	70.8%
Yield as at December 31, 1968	3.28%	4.02%	—
% Change in Net Profit Over 1967	+17.7%	+5.1%	—3.5%
*Estate, Trusts and Agency Account	***\$7,773,000,000	\$351,210,378	\$1,808,553,000

*Due to lack of uniformity in accounting practice, a true comparison is difficult to achieve.

**Includes
The Royal Trust
Mortgage
Corporation

****Includes
Eastern &
Chartered
Trust

Prepared by: The Investment Department
Guaranty Trust Company of Canada

***At estimated value

for checking

COMPANIES OF CANADA

FINANCIAL DATA

1968

Balance Sheet (1913) (1872) Trust	Montreal Trust 1889	National Trust 1898	Victoria & Grey Trust 1895	Crown Trust 1897	Canada Trust 1894
1,081	\$ 26,469,952	\$ 22,542,510	\$ 16,513,685	\$ 6,056,697	1968 figures of the Canada Trust Company are not available, as they were included in the consolidated figures of the parent — The Huron and Erie Mortgage Corporation.
	4	5	6	7	
1,832	387,559,447	383,410,157	312,439,244	87,891,405	
	4	5	6	7	
1,600	1,832,515	2,169,310	1,829,012	619,216	
	5	4	6	7	
	4	5	6	7	
0	\$ 1.00	\$ 2.00	\$ 2.00	\$10.00	
7	10.84	12.09	8.31	40.38	
	14.00	20.75	18.25	63.00	
	77.4%	58.3%	45.5%	64.1%	
5	0.75	1.16	1.12	4.13	
0	0.65	0.70	0.59½	2.00	
%	86.7%	60.3%	53.1%	48.4%	
	4.64%	3.37%	3.26%	3.17%	
%	—7.2%	+5.7%	+9.1%	+5.0%	
1,129	Not Reported	\$1,432,299,123	\$ 47,330,575	\$356,443,218	

check

GUARANTY TRUST COMPANY OF CANADA

STATEMENT OF AFFAIRS DECEMBER 31, 1968

ASSETS

SECURITIES	<u>1968</u>
Government of Canada and Provinces of Canada	\$104,211,936.70
Canadian Municipal	3,548,653.76
Stocks	7,779,987.27
Other Securities not exceeding market value	53,911,977.35
	<u>\$169,452,555.08</u>
Cash on deposit and on hand	13,640,991.90
Loans on Bonds and Stocks	4,599,243.47
Other Loans	1,854,602.91
Advances to Estates	272,474.62
First Mortgages	339,523,303.08
Office Premises and Equipment	4,295,856.36
Other Assets	52,496.78
	<u>\$533,691,524.20</u>

We hereby certify that to the best of our knowledge and belief the above statement is correct and shows truly and clearly the financial condition of the Company's affairs.

J. WILSON BERRY, *Chairman of the Board*
A. B. RAMSAY, *President and General Manager*
R. M. WILLMOTT, *Vice-Chairman*

TOTAL ASSETS UNDER ADMINISTRATION:

Cash, securities and other assets held for Estates, Trusts and Agencies	\$351,210,377.90
Capital and Guaranteed Funds Assets	533,691,524.20
	<u>\$884,901,902.10</u>

LIABILITIES AND CAPITAL

GUARANTEED TRUST FUNDS:	<u>1968</u>
Demand Deposits	\$180,322,952.65
Term Deposits	320,189,891.06
	<u>\$500,512,843.71</u>
Federal and Provincial Taxes	139,175.87
Dividend Payable January 15, 1969	466,666.80
	<u>\$501,118,686.38</u>

CAPITAL FUNDS:

Capital Stock Outstanding, 3,888,890 shares, \$2.00 par	\$ 7,777,780.00
Reserve Fund	24,000,000.00
Undivided Profits	795,057.82
	<u>\$ 32,572,837.82</u>
Total Liabilities and Capital	<u>\$533,691,524.20</u>

STATEMENT OF UNDIVIDED PROFITS

Profits for the year after providing for expenses of management, accrued interest, contingencies, contribution to insurance and pension fund	\$ 5,117,209.44
Depreciation of office premises and equipment	200,261.90
Federal and Provincial Taxes	1,974,189.43
Net Profit for the year	\$ 2,942,758.11
Dividends	1,742,391.48
	<u>\$ 1,200,366.63</u>
Premium on sale of Capital Stock	3,111,120.00
Undivided profits brought forward from previous year	483,571.19
	<u>\$ 4,795,057.82</u>
Transferred to Reserve Fund	4,000,000.00
Undivided Profits	<u>\$ 795,057.82</u>

OFFICES

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Guaranty Trust



COMPARATIVE STATISTICAL DATA ON MAJOR CANADIAN TRUST COMPANIES

DECEMBER 31, 1969

BELLEVILLE	199 Front Street
CALGARY	311 Eighth Ave. W.
CORNWALL	254 Pitt Street
EDMONTON	10010 Jasper Avenue
HAMILTON	82 King Street E.
HANOVER	291-10th Street
HULL	114 Main Street
LEAMINGTON	25 Talbot Street E.
MONTREAL	427 St. James St. W.
MOOSE JAW	351 Main Street N.
NIAGARA FALLS	424 Queen Street 1799 Main Street
NORTH BAY	101 Main Street E.
OSHAWA	32 King Street E.
OTTAWA	109 Bank Street 2267 Riverside Drive E. (Billings Bridge Plaza) 1182 St. Laurent Blvd. (St. Laurent Shopping Centre)
PEMBROKE	126 Pembroke Street W.
PETERBOROUGH	348 George Street N.
REGINA	2020-11th Avenue
RICHMOND HILL	44 Yonge Street S.
ST. CATHARINES	110 King Street
SASKATOON	212-22nd Street E.
SAULT STE. MARIE	498 Queen Street E.
SIMCOE	2 Norfolk Street S.
STOUFFVILLE	81 Main St. W.
SUDBURY	105 Durham Street S.
THUNDER BAY	516 Victoria Avenue (Fort William) 215 Arthur Street (Port Arthur)
TORONTO	366 Bay Street 1719 Avenue Road 970 Bloor Street W. 2488 Yonge Street 3204 Yonge Street 4809 Yonge Street # 45 Don Mills Shopping Centre 2555 Victoria Pk. Ave.
VANCOUVER	624 Howe Street 1655 Marine Dr., W. Van. 12th & Granville St. 1452 Lonsdale Ave., N. Van.
WELLAND	62 East Main Street
WINDSOR	305 Victoria Avenue
WINNIPEG	430 Portage Avenue

PREPARED BY

THE INVESTMENT DEPARTMENT

GUARANTY TRUST COMPANY OF CANADA

MAJOR CANADIAN TRUST COMPANIES

COMPARATIVE DATA

	1969		
	(2) Royal Trust & wholly-owned subsidiaries 1892	Guaranty Trust 1925	National Trust 1898
Date of Incorporation			
Capital, Reserves and Undivided Profits	\$ 54,447,000	\$ 33,696,155	\$ 23,589,000
Rank	1	2	4
Guaranteed Trust Funds	1,105,068,000	585,759,176	461,645,000
Rank	1	2	3
Net Profit after Taxes	6,263,000	3,067,762	2,414,000
Rank	1	2	3
Average Rank	1	2	3
<hr/>			
Par Value of Capital Shares	\$ 1.00	\$ 2.00	\$ 2.00
Book Value Per Common Share	13.09	8.66	12.65
Market Value Per Common Share, Dec. 31/69	27.00	11.50	21.00
Percent of Book Value to Market Value	48.5%	75.3%	60.2%
Earnings Per Common Share	\$ 1.52	\$ 0.79	\$ 1.29
Dividends Paid Per Share	0.85	0.49½	0.74
Payout Ratio	55.9%	62.7%	57.4%
Yield as at December 31, 1969	3.15%	4.30%	3.52%
<hr/>			
Change in Net Profit Over 1968	+38.2%	+ 4.2%	+11.3%
(1) Estate, Trusts and Agency Account	(3) \$8,634,000,000	\$ 393,919,012	\$1,564,939,000

(1) Due to lack of uniformity in accounting practice, a true comparison is difficult to achieve.

(2) Includes The Royal Trust Mortgage Corporation.

(3) At estimated value.

UST COMPANIES

E DATA

	Montreal Trust 1889	Victoria & Grey Trust 1895	Crown Trust 1897	Canada Trust 1894	Can. Perm. (1913) Tor. Gen. (1872) Can. Perm. Trust 1961
3	\$ 27,078,006	\$ 16,936,701	\$ 6,317,610	1969 figures of the Canada Trust Company are not available, as they were included in the consolidated figures of the parent—The Huron and Erie Mortgage Corporation.	1969 figures of the Canada Permanent Trust Company are not available, as they were included in the consolidated figures of the parent— Canada Permanent Mortgage Corporation.
	3	5	6		
3	437,126,623	365,660,206	98,477,073		
	4	5	6		
0	2,035,061	2,157,481	560,913		
	5	4	6		
	4	5	6		
	\$ 1.00	\$ 2.00	\$10.00		
	11.07	8.62	42.12		
	11.50	17.75	56.00		
	96.3%	48.6%	75.2%		
	\$ 0.83	\$ 1.36	\$ 3.74		
	0.60	0.66	2.00		
	72.3%	48.5%	53.4%		
	5.22%	3.72%	3.57%		
	+11.1%	+18.0%	— 9.4%		
0	Not Reported	\$ 52,618,993	\$ 383,701,588		

Prepared by: The Investment Department
Guaranty Trust Company of Canada

GUARANTY TRUST COMPANY OF CANADA

STATEMENT OF AFFAIRS DECEMBER 31, 1969

ASSETS	1969
SECURITIES:	
Government of Canada and Provinces of Canada	\$ 119,584,388.03
Canadian Municipal	3,169,506.65
Stocks	7,989,101.33
Other Securities	88,886,216.91
	<u>\$ 219,629,212.92</u>
Cash on deposit and on hand	8,325,251.24
Loans on Bonds and Stocks	5,030,823.57
Other loans	5,769,853.92
Advances to Estates	267,453.25
First Mortgages	376,992,689.77
Office Premises and Equipment . .	3,970,419.62
Other Assets	8,361.87
	<u><u>\$ 619,994,066.16</u></u>

We hereby certify that to the best of our knowledge and belief the above statement is correct and shows truly and clearly the financial condition of the Company's affairs.

J. Wilson Berry, *Chairman of the Board*
A. B. Ramsay, *President and General Manager*
R. M. Willmott, *Vice-Chairman* } *Directors*

TOTAL ASSETS UNDER ADMINISTRATION:	
Cash, securities and other assets held for Estates, Trusts and Agencies	\$ 393,919,012.44
Capital and Guaranteed Funds Assets	619,994,066.16
	<u><u>\$1,013,913,078.60</u></u>

LIABILITIES AND CAPITAL	1969
GUARANTEED TRUST FUNDS:	
Demand Deposits	\$210,141,507.70
Term Deposits	375,617,667.98
	<u>\$585,759,175.68</u>
Federal and Provincial Taxes	52,624.11
Dividend Payable January 15, 1970.	486,111.25
	<u>\$586,297,911.04</u>
CAPITAL FUNDS:	
Capital Stock Outstanding, 3,888,890 shares, \$2.00 par . .	\$ 7,777,780.00
Reserve Fund	24,000,000.00
Undivided Profits	1,918,375.12
	<u>\$ 33,696,155.12</u>
Total Liabilities and Capital	<u><u>\$619,994,066.16</u></u>

STATEMENT OF UNDIVIDED PROFITS

Profits for the year after providing for expenses of management, accrued interest, contingencies, contributions to insurance and pension fund	\$ 5,010,146.40
Depreciation of office premises and equipment	269,184.10
Federal and Provincial Taxes	1,673,200.00
Net Profit for the year	\$ 3,067,762.30
Dividends	1,944,445.00
	<u>\$ 1,123,317.30</u>
Premium on sale of Capital Stock . .	—
Undivided profits brought forward from previous year	795,057.82
	<u>\$ 1,918,375.12</u>
Transferred to Reserve Fund	—
Undivided Profits	<u><u>\$ 1,918,375.12</u></u>

*"I'm told
Guaranty Trust
is a good place to
do business"*

GUARANTY TRUST

COMPANY OF CANADA

interim report

for the six months ended June 30, 1969



interim report to shareholders:

Net profits for the first six months of 1969 increased 13% or \$178,519.00.

Earnings per share were 39¢ versus 38¢ despite the fact there were 388,890 more shares issued and outstanding compared to a year ago.

As one of Canada's major trust companies, we are feeling the impact of inflation which has been escalating interest costs on deposits more rapidly than mortgage investment funds can be advanced, thereby considerably narrowing our margin of profit.

We are encouraged by recent signs of Governmental authority taking more aggressive anti-inflation measures.

August 21, 1969.

J.M. Reilly
Chairman

A.B. Edwards
President

A Summarization of the unaudited results of operation for the half-year ended June 30, 1969 with comparative figures for the same period in 1968 as follows:

	<u>1969</u>	<u>1968</u>
Profit before income taxes	\$ 2,636,187	\$ 2,322,205
Provision for income taxes	1,108,402	972,939
Net profit	<u>\$ 1,527,785</u>	<u>\$ 1,349,266</u>
Shares issued (par \$2.00)	3,888,890	3,500,000
Earned per share	39¢	38¢
Dividends	\$ 972,222	\$ 840,000
Paid per share	25¢	24¢
<hr/>		
Demand Deposits	\$233,054,737	\$166,731,424
Term Deposits	330,828,234	320,236,896
Total Guaranteed Funds	<u>\$563,882,971</u>	<u>\$486,968,320</u>

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A NEW IDEA IN INVESTMENT CERTIFICATES

Guaranty Option 5 Certificate

Guaranty Trust invented the Guaranty Option 5 Certificate for those customers who want an investment plan that pays well, and gives you solid security—a plan that lasts for a full five years and also gives you the option to cash in should your money needs change. Only the Guaranty Option 5 Certificate gives you these advantages.

We call it the GO-5 Certificate.

Here's how it works:

The GO-5 Certificate is a five year investment certificate with interest rates guaranteed for each of the respective years to maturity. However, if you find later that you need money for other purposes, you are free to cash in your GO-5 Certificate on any anniversary of the date of your purchase. That gives you five options to redeem—a real advantage if your financial plans change and you need cash.

Interest is paid 2 times a year starting six months after you buy a Guaranty Option 5 Certificate.

Only Guaranty Trust has the GO-5 Certificate

Guaranty Option 5 Certificate was invented by Guaranty Trust as a special service and is available only at Guaranty Trust branches.

INTERIM REPORT

*for the six months ended
June 30, 1972*

Guaranty Trust

Company of Canada

TO THE SHAREHOLDERS:

Audited net profit of the Company for the six months ended June 30, 1972, of \$2,665,000, increased approximately 45 percent from the same period in 1971—\$1,833,000. These include \$213,000 net after tax gains from security transactions (1971—\$345,000). The Company includes net after tax security gains or losses in its earnings in the second and fourth quarter of each fiscal year.


In the second quarter, net earnings from operations, excluding security gains, were \$1,334,000 (1971—\$795,000), an increase of approximately 68 percent over the same quarter of the previous year. The percentage increase in earnings on a per share basis was less than the percentage increase in net earnings because of a larger number of shares outstanding (1972—4,444,450; 1971—3,888,850).

In view of changing interest rates, earnings for the six month period being reported on may not be indicative of the earnings for the entire year.

On June 26, 1972, your Board of Directors accepted with regret the resignation of Mr. Allan B. Ramsay as your Company's Chairman of the Board and President for health and personal reasons. Mr. Ramsay will continue as a member of the Board of Directors. Mr. Gordon R. Sharwood was elected by the Board of Directors as President and Chief Executive Officer on June 26.

The demand for mortgage loans was exceptionally strong during the period, resulting in keen competition for deposits. To meet this challenge, your Company introduced a new form of Guaranteed Investment Certificate—the GO-5. The reception for this new deposit certificate has been gratifying.

July 20, 1972


President and Chief Executive Officer

	(\$000 omitted)			
	Three Months Ended June 30 (Unaudited)		Six Months Ended June 30 (Audited)	
	1972	1971	1972	1971
Revenue.....	\$ 15,024	\$ 13,997	\$ 29,778	\$ 27,346
Expense.....	12,732	12,318	25,248	24,383
Operating Profit Before Taxes.....	2,292	1,679	4,530	2,963
Income Taxes.....	958	884	2,078	1,475
Net Profit From Operations.....	1,334	795	2,452	1,488
Gains From Security Transactions—net of taxes.....	213	345	213	345
Net Profit For The Period.....	<u>\$ 1,547</u>	<u>\$ 1,140</u>	<u>\$ 2,665</u>	<u>\$ 1,833</u>
Shares Outstanding.....	4,444,450	3,888,890	4,444,450	3,888,890
Earnings per Share:				
—From Operations.....	30.0¢	20.5¢	55.2¢	38.3¢
—For The Period.....	34.8¢	29.3¢	60.0¢	47.1¢
Dividends Declared per Share.....	14.0¢	12.5¢	28.0¢	25.0¢

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GUARANTY TRUST

COMPANY OF CANADA

interim report

for the six months ended June 30, 1971

*"I'm told
Guaranty Trust
is a good place to
do business"*

Jim



INTERIM REPORT TO SHAREHOLDERS:

Your Directors are pleased to report the excellent results in your Company's operations during the first half of this year.

The amount shown for Capital, Reserve and Unappropriated Earnings for the six months to June 30, 1970, has been reduced by \$809,000 from that shown on our interim report to you one year ago. This reflects the footnote to financial statements for the year 1970, advising the effect on Unappropriated Earnings of retroactive adjustments for 1969 to various reserves and prior year's Income Tax provisions. The adjustments were recorded after June 30, 1970.

July 22, 1971



Chairman and President

	Six Months Ended June 30	
	1971 (audited)	1970 (unaudited)
Revenue	\$ 27,853,902	\$ 25,160,660
Expense	24,383,005	23,609,879
Net profit before income taxes	3,470,897	1,550,781
Income taxes	1,638,500	673,800
Net profit	<u>\$ 1,832,397</u>	<u>\$ 876,981</u>
Shares issued (par \$2.00)	3,888,890	3,888,890
Earned per share	47¢	22½¢
Dividends	\$ 972,223	\$ 972,223
Paid per share	<u>25¢</u>	<u>25¢</u>
Capital, reserve and unappropriated earnings	<u>\$ 33,820,118</u>	<u>\$ 32,791,890</u>
Demand deposits	\$270,319,500	\$226,940,460
Term deposits	419,460,224	391,664,991
Total Guaranteed Funds	<u>\$689,779,724</u>	<u>\$618,605,451</u>
Estates, trusts & agencies	\$459,416,029	\$408,121,829

TO THE SHAREHOLDERS:

AR32

Unaudited net operating profit for the six months ended June 30, 1976 was \$692,000 or 12.5¢ per share compared with \$766,000 or 14.1¢ per share for the same period in 1975.

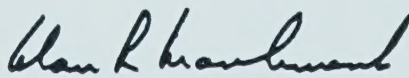
Unaudited net profit, including security transactions, for the six months ended June 30, 1976 was \$725,000 or 13.1¢ per share compared with \$792,000 or 14.5¢ per share for the same period in 1975.

Earnings per share for 1976 are based on average outstanding shares of 5,555,500 and for 1975 of 5,444,450 shares.

The Board of Directors has declared a dividend of 4¢ per common share to shareholders of record on August 16, 1976, payable on September 1, 1976.

I am pleased to report that the Rights Offering to shareholders of record at the close of business on May 31, 1976 was fully subscribed, adding \$5,555,500 to the capital base of the Company. Traders Group Limited maintained its shareholdings at 58.6% of the now outstanding 6,666,600 common shares.

The Board of Directors, at its meeting held on July 28, 1976, elected Mr. H. E. Dynes as Chairman of the Board of Guaranty Trust. I will continue as President and Chief Executive Officer of the Company.



Alan R. Marchmont, President &
Chief Executive Officer.

July 28, 1976

**Guaranty
Trust**
COMPANY OF CANADA

INTERIM REPORT FOR THE SIX MONTHS ENDED JUNE 30, 1976

"The Trust Company that's ready for tomorrow"



**Guaranty
Trust**
COMPANY OF CANADA

CONSOLIDATED SUMMARY OF ASSETS AND LIABILITIES

		(\$000 omitted) As at June 30	
		1976 Unaudited	1975 Audited
Assets			
Cash, bank deposit receipts and corporate notes		\$ 136,245	\$ 84,701
Bonds and stocks		120,782	123,031
Mortgages		772,465	739,830
Consumer and personal loans		76,296	47,407
Other assets.		61,048	48,736
		<u>\$1,166,836</u>	<u>\$1,043,705</u>
Liabilities			
Savings and chequing accounts.		\$ 286,125	\$ 276,367
Guaranteed investment certificates.		743,482	644,653
Time deposits		48,365	46,430
Other liabilities.		31,972	26,366
Shareholders' equity		56,892	49,889
		<u>\$1,166,836</u>	<u>\$1,043,705</u>

STATEMENT OF REVENUE AND EXPENSE

		(\$000 omitted)			
		3 months ended June 30		6 months ended June 30	
		1976 Unaudited	1975 Unaudited	1976 Unaudited	1975 Audited
Revenue					
Interest from mortgages and other loans.		\$ 20,061	\$ 18,026	\$ 39,113	\$ 36,407
Interest and dividends from securities and bank deposit receipts		4,890	3,529	9,220	7,259
Fees and commissions.		2,083	2,266	4,384	4,225
		<u>27,034</u>	<u>23,821</u>	<u>52,717</u>	<u>47,891</u>
Expense					
Interest on deposits		21,670	18,645	41,973	38,515
Salaries and staff benefits		3,025	2,710	6,045	5,393
Other expenses		1,954	1,674	3,907	3,054
		<u>26,649</u>	<u>23,029</u>	<u>51,925</u>	<u>46,962</u>
OPERATING PROFIT BEFORE TAXES.		385	792	792	929
Income taxes		36	163	100	163
NET OPERATING PROFIT.		349	629	692	766
Net gain (loss) on investments, less applicable income taxes		5	(46)	33	26
NET PROFIT FOR THE PERIOD		<u>\$ 354</u>	<u>\$ 583</u>	<u>\$ 725</u>	<u>\$ 792</u>
EARNINGS PER SHARE:*					
Net operating profit		6.3¢	11.6¢	12.5¢	14.1¢
Net profit for the period		6.4¢	10.7¢	13.1¢	14.5¢
DIVIDENDS DECLARED PER SHARE*		4.0¢	0.0¢	8.0¢	0.0¢

*based on 5,555,500 shares outstanding (1975—5,444,450)